

Fiscal Services Division
Legislative Services Agency
Fiscal Note

HF 275 - Alcohol Purchases by Minors (LSB 1238 HV.2)

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Fiscal Note Version – As Amended and Passed by the Senate

Description

House File 275, as amended and passed by the Senate, relates to the purchase, possession, or consumption of alcohol by a person ages 18 to 20. The Senate Amendment changes the criminal violation from a simple misdemeanor to a scheduled violation for the first offense with a fine amount of \$200. The Amendment also increases the simple misdemeanor fine for a second offense from \$200 to \$500. The person in violation of a second offense will also choose between completing a substance abuse evaluation or the suspension of the person's driver's license for no more than one year. The simple misdemeanor fine for a third or subsequent offense is \$500 and the suspension of the person's driver's license for one year.

Background

1. The law will become effective July 1, 2005.
2. In FY 2004, there were 6,198 offenders age 18 to 20 convicted of possession of alcohol as a minor. Of these offenders, 5,969 were convicted of a first offense and 229 were convicted of a second, third, or subsequent offense.
3. Under current law, the fine amount for a first offense is \$100 and the fine amount for a second and subsequent offense is \$200.
4. The current three-year collection rate for the \$100 fine for a first time offender is 88.5%, which resulted in \$528,000 in revenue.
5. The current three-year collection rate for the \$200 fine for the second or subsequent offense is 94.2%, which in FY 2004 resulted in \$43,000 in revenue.
6. Under current law, all cases may appear before a judge.

Assumptions

1. A six month lag is assumed in FY 2006 before the first cases enter the justice system.
2. Making the simple misdemeanor for the first offense a scheduled violation will reduce magistrate and clerk time as cases will not need to go before a judge.
3. Under HF 275 as amended by the Senate, the first offense for alcohol purchases by minors is a scheduled violation and the fine increases from \$100 to \$200. Under the Bill as amended, a second, third, and subsequent offender would still be guilty of a simple misdemeanor but the fine would increase from \$200 to \$500 with loss of their driver's license and/or a required substance abuse evaluation.
4. The three-year collection rate for the new \$200 scheduled violation fine for a first offense is an estimated 94.2%.
5. The three-year collection rate for the new \$500 scheduled fine for the second, third, and subsequent offenses is an estimated 71.2%.
6. House File 275 as amended assumes that half of the 229 second, third, or subsequent offenders or 115 offenders would result in additional trials and substance abuse evaluations. The average cost for a simple misdemeanor trial including magistrate or judge time, clerk of court time, court attendant, and court reporter time is \$14.45 per hour.
7. The average clerk of court time for the substance abuse evaluation monitoring is \$8.32 per hour.
8. The average cost of a jury trial is \$1,040. The defendant is entitled to a jury trial.

Fiscal Impact

The following chart reflects the revenue generated from HF 275 as amended by the Senate for FY 2006, FY 2007, and FY 2008 and on-going years:

Increased Revenue for HF 275 as amended by S-3091			
	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>
First Offense	\$559,000	\$583,000	\$597,000
Second, Third, or Subsequent Offense	14,000	33,000	39,000
	<u>\$573,000</u>	<u>\$616,000</u>	<u>\$636,000</u>

House File 275, as amended by the Senate, may result in additional trials because of the increased penalties for second, third, and subsequent offenses. The Clerks, Magistrates, and Judges may also see an increase in workload from monitoring substance abuse evaluations for compliance. The fiscal impact of additional workload is estimated to be minimal.

Sources

Judicial Branch
Department of Human Rights, Criminal and Juvenile Justice Planning Division

/s/ Holly M. Lyons

April 21, 2005

The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.
